FBIS DAILY REPORT

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CONTADORA DEPUTY MINISTERS SEE DE LA MADRID

PA040400 Mexico City UNOMASUNO in Spanish 1 Nov 86 p 3

[By Marco A. Mares]

[Text] President Miguel de la Madrid met yesterday with the deputy foreign ministers of the eight countries that comprise the Contadora Group and its support group, and told them that we are presently experiencing risky times but also a time of opportunities. He stressed that it is necessary to confront current crises together, thus reducing the foreign vulnerability of the region.

The Mexican president met with the diplomats on their second and last day of the extraordinary meeting. De la Madrid told them that the Central American conflicts not only represent a danger for the Central American countries but for all our countries, and even affect the continent's security and stability.

De la Madrid told the deputy foreign ministers that their work, aimed at achieving greater political understanding and rapprochement among Latin American nations, represents a great opportunity at moments when the problems of the region are worsening.

He stressed that the suggestions expressed during the meeting represent a substantial step forward for future, periodic meetings of the foreign ministers, who will find themselves better prepared to present before the presidents of the Latin American nations their decisions in favor of regional integration and cooperation.

In conclusion, the Mexican president reiterated that for Mexico, Latin America represents a natural field of activity, and that participation in the international situation is a major priority for Mexico.

Meanwhile, the Mexican Foreign Secretariat reported that the representatives of the Governments of Contadora Group members Colombia, Mexico, Panama, and Venezuela; and Support Group members Argentina, Brazil, Peru, and Uruguay met to exchange viewpoints on how the existing cooperation among the eight countries can be used more adequately to resolve the political and economic problems that affect them.

The conclusions reached during this 2-day meeting will be presented to the foreign ministers during their meeting scheduled to be held in Rio de Janeiro, Brazil, in December 1986.

The Mexican Foreign Secretariat also reported that the diplomats exchanged information regarding the evolution of the Central American situation, and observed that the recent political and military incidents confirm the concerns expressed by the foreign ministers of the Contadora and Support Groups in their Caraballeda Document and in the statement they issued on 1 October 1986, as well as their belief that "peace is still possible in Central America." In their documents, the foreign ministers reject the use of force and the implementation of policies that represent a violation of the sovereignty, independence, and territorial integrity of any state of the region; and admit that dialogue and political understanding represent the only adequate way to resolve the conflict.

CAPUTO VOWS 'PRUDENCE'; DENIES UK SEA CLAIM

PA050235 Buenos Aires Argentina Televisora Color Network in Spanish 0000 GMT 5 Nov 86

[Speech to nation by Foreign Minister Dante Caputo at unspecified location -- live]

[Text] Good evening. The government has considered it necessary and useful to share with you tonight a series of views relating to what has happened since the measure taken on 29 October by the United kingdom, the consequences of that measure, how it affects us, and what we are doing to limit its effects so that we safeguard our sovereignty.

In the first place, I think it is necessary to make a brief summary of what the United Kingdom did when it made the statement through its foreign minister in the House of Commons at 1230 on 29 October.

To explain this in the best way possible, let us take a look at a map of the area. in the first place, it is useful and necessary that we remember the situation that existed. We all know that since 1833 our islands have been occupied by the United Kingdom. This occupation was not only of the land, but also of a small belt bordering these islands, known as territorial sea. This sea consists of 3 miles around the coast. The usurpation was of the islands and of this small portion of 3 miles of the territorial sea of the Malvinas Islands.

This situation continued until 1982, when after the Malvinas War, the United Kingdom took a unilateral decision which consisted of creating the so-called protection zone, an exclusion zone. This is an area you can see here in red. [Caputo points to map] This area has a circumference of 150 miles [number as heard], which had the following characteristics: This area served to prevent any ship sailing under the Argentine flag from entering the zone. It was an exclusion zone, only against Argentine ships. This area was considered high seas for the rest of the world's countries.

Let us review. The islands, the territorial sea, after 1982, this zone of 150 miles, were all closed to Argentine ships. This was the situation from the United Kingdom's point of view.

Let us see the situation from the Argentine point of view. Argentina of course had its territorial sea, but also the so-called exclusive economic zone, which is generally different from the territorial sea in the following regard: While we have sovereign rights over the territorial sea, full sovereign rights, as if it were indeed firm land; in the exlusive economic zone we only have sovereign rights over its resources, its sea life and the sea's soil and subsoil. That is, we exercise some sovereign rights. This exclusive economic zone comprises an extension of 200 miles [number as heard] from the Argentine continental coast and from the Malvinas Islands coast. Therefore, the islands occupied by the British, the territorial sea, this exclusion area for Argentine ships, and this entire zone where Argentina had sovereign rights all this time is included in the zone the British are claiming.

What does it mean to exercise sovereign rights? Simply that we had jurisdiction over the area, that we controlled fishing, that our ships, the prefecture ships, the Argentine Navy ships, patrolled the area due to the right we had over the sea resources, its soil and subsoil.

This was the situation until 29 October. With the United Kingdom's decision there is a substantial change. On 29 October the United Kingdom not only claims sovereignty over the islands and the 3-mile area of sea around the islands, but they claim more than the 200-mile exclusive economic zone. This means that all of this zone, which was only high seas from the British point of view, from the moment of the declaration becomes a zone where the British want to exercise sovereign rights over all the resources. Let us explain it more simply: They occupied our house for 150 years and a small patch next to the house. The garden was ours; we grew things in it and took care of it, but since 29 October they are telling us that the garden is not ours anymore, that it belongs to them.

Actually you can realize that we are up against another usurpation of Argentine territory. It is a usurpation which is not like that of 1833, which was a usurpation of islands we had not occupied for 150 years. This usurpation is of a sea which we were effectively patrolling and taking care of, whose resources we controlled. You will realize the seriousness of this action and the meaning it has for all of us, the British pretension to advance on the sovereign rights of the Republic of Argentina.

Here are some more details on this map. The United Kingdom and some press agencies have tried to distort and change the real scope of this measure. In truth, they do two things. First, they claim these 200 miles. You can see the great distance that these 200 miles cover. For instance, the Isla de los Estados Department is intersected here. Second, they say they will establish a 150-mile administrative zone around the Malvinas Islands for the conservation and preservation of fishing. Here emerges a series of confusing statements that, unfortunately, are being manipulated by some newspapers. I mean this: This conservation zone is an administrative zone that will begin to control fishing here as of 1987 -- as of 1 February, to be exact. The establishment of an administrative regulation here bears no relationship to the other fact, the attempt to exercise sovereignty and jurisdiction over the 200 miles.

Therefore, you can realize that we are not dealing with just a slight change of the former situation. Argentine ships could not get in here. Now they do not want any ship to enter this area unless fishing agreements with the United Kingdom are reached.

The UK, therefore wants to exercise sovereign rights over an area in which we had patrolled and over which we had jurisdiction. Historically, we have exercised jurisdiction over this area, especially this year. Our ships, as I have already said, do not only patrol this area near the coast. They had patrolled this area even before the conflict. In 1980 we captured some ships that were fishing illegally some 40 to 50 miles from the coast of the Malvinas.

This is a summary of the situation and I want to make something very clear. First, action has been taken in an area in which we have full rights. Using their alleged sovereignty, they intend to claim sovereign rights over Argentine seas. As you can imagine, this is a British intention to make a new move to usurp our territory.

How did we arrive at this situation? Why are the British taking this action? A brief summary of how events have developed recently might be useful in understanding our decision on 29 October. The British Government has systematically tried to create a new mechanism by any means to show that it has effective control of its sovereignty over the Malvinas Islands.

For example, in August of last year, the British launched a strong offensive in the framework of the FAO. They claimed there that because all this area is being used for uncontrolled fishing that is destroying fishing resources, it is necessary to have some kind of supervision. What is their proposal? They said: Let us sign a multilateral fishing agreement. We asked: A multilateral agreement among which countries? They said: An agreement among all the countries that fish in the area, including Argentina and the UK, of course. Then, we asked: Why should the UK sit down to sign an agreement? Their reply was: We exercise sovereignty over this area.

You must realize that by using the idea of protecting fish resources, they wanted to establish a very strong legal precedent that would state: We are in the islands, and this is internationally accepted by other countries that have signed a fishing agreement with us. Argentina opposed this proposal.

Argentina proposed to conduct a reliable study to determine any potential damage to the area, but evidently we could not sign an agreement involving such consequences.

The British counterattacked. They said that the Argentines do not want to sign. They did not say why we did not want to sign. They said we are opposed to preserving fishing resources. They said we are not interested in protecting the environment. Nevertheless, Argentina was always concerned about this. Argentina was always patrolling and supervising such resources, and it decided to supervise fishing even more by signing bilateral agreements with countries that actually fish in the area. We signed fishing agreements with the USSR and Bulgaria, and we began talks with others such as Japan, Uruguay, and the EEC. I will point out the importance of these agreements. Today there are many ships that are illegally fishing in areas beyond Argentine control and often enter our zones and destroy fishing resources. Therefore, there are many ships that are fishing illegally in this area.

By means of the agreements, contracts, and other legal instruments, the number of ships that will fish in these areas is determined. The amount of fishing is also determined. For example, in the agreement with the USSR, the number of ships per year, the exploitation quota, and a strict control are stated. Part of the crew is Argentine and an Argentine Government official boards each ship to determine if the agreement is strictly followed.

Therefore, these fishing agreements being used by the UK actually have a double meaning: An attempt to avoid multilateral preservation. What they are actually doing is not making sure whether there are 80 or 100 ships, but only those that Argentina [as heard] is willing to accept according to the exploitation needs in the area each year.

This is a summary of the situation. Since we have opposed the multilateral agreement within the framework of the FAO -- based on the reasons we have previously explained of not establishing negative legal precedents -- the British have reacted with the well-known terms: declaring the 200-mile zone that we were looking at a few minutes ago.

Evidently, this has very serious effects. First, the British Govenment constantly says that the sovereignty issue should not be discussed. However, by adopting this measure, they are exercising sovereignty. They are the ones who have brought this issue to the table. This is a serious contradiction of British diplomacy in the matter. Therefore, we have had to react against such a measure. How have we done it? Based on what objective have we reacted? How are we guiding our action? Most of all, on what are we basing our claim?

Let us briefly review this. First, everything we do is aimed toward improving the capacity of the negotiations to make the Malvinas Islands part of Argentina again. No diplomatic or political action can lose sight of this fundamental objective. We can never contradict the possibilities of recovering the islands. Our other objective is preserving the fishing resources in the entire area. This is an important resource for the Argentine economy. By considering these two objectives, we must create the best conditions for the recovery of the islands and for preserving the resources and our economic interests.

I would say that we have acted based on two points. First, we have stated that Argentines are not withdrawing. We will show the British Government that we will continue patrolling that zone we had been patrolling because it belongs to us, because we were there, and because we will continue to be there with utmost prudence and care. However, we will not move from where we were. However, this does not [word indistinct]. Our steadfastness over the area is not enough. In addition, we must denounce the British aggression, We must show the international community who is the aggressor and whom it is attacking. This time, there is no doubt that the United Kingdom has adopted an aggressive stance toward us -- that is, toward a democratic government that the international community respects and holds in esteem.

Therefore, we have already begun diplomatic moves expressed in the diverse missions that have left for European, nonaligned, and (?Far East) countries, for next week's action at the OAS, and for another action at the United Nations the following week. Also, the president has had countless communications with the heads of states of over 20 countries. Those were the specific steps we planned, implemented, and will continue implementing in the following weeks. Moreover, these specific measures are inspired by a fundamental idea. Clearly and steadfastly, we must defend what is ours. Argentina's democracy will not withdraw in the face of British aggression. However, the fact that Argentina is a democracy and responsible for the lives of the men and women of this country, because it knows what having peace means, it will act with utmost prudence. Because it is on the side of justice it will use reason. Because it knows that it has gained prestige in the name of peace and negotiation, it will continue striving for peace along the path of diplomatic negotiations. Let there be no doubt about that. With steadfastness and prudence, and intelligence to use all rational means, under no circumstances will we fall into any provocation that the British Government may later take advantage of.

To say this in another manner, which perhaps may be more sincere and direct: There are some who feel we must abandon this struggle, that we must not irk the British or do things that may create a tense situation. That is unacceptable. Argentine patrimony is not to be surrendered, because it represents the feeling of the Argentine people, because it represents the conviction of our government, because it represents the historic mandate we have recieved from our electorate. Imagine withdrawing from our sea so as not to irritate the British!

There are a few who say that we must put on our helmet and go out to fight the [word indistinct]. We are aware of that. So, our choice lies between the helmet and that which the great majority of Argentines, all of you, agree with: common sense. Common sense means to be steadfast and prudent. We know what peace if for each one of you. It is life for each Argentine woman, man, and child. You know that this fundamental ideal will guide the democratic government in each of its actions and in each moment of its actions.

In sum, I want to leave you tonight with a simple message following this explanation. Know and trust that participation of the people in a democracy ensures the wisdom of the Argentine Government. Know that the Argentine Government is reflecting the mandate of the people to regain the islands. However, there is another mandate of preserving peace. As I said, the government will act guided by two fundamental criteria: Prudence and steadfastness to achieve peace and regain the islands. Thank you.

MILITARY LEADERS CONSIDER DEPLOYMENT OPTIONS

General Mobilization Ruled Out

PY050236 Buenos Aires DYN in Spanish 0118 GMT 5 Nov 86

[Text] Buenos Aires, 4 Nov (DYN) -- The idea of mobilizing the nation's air, sea, and ground forces after the British decided to extend by 50 miles their self-imposed jurisdiction around the Malvinas Islands was ruled out shortly after learning about the British decision, because of its political disadvantages and high cost, as it would have demanded an initial investment of $100 million.

Military sources consulted by DYN this evening gave some details of the events that occurred after the Argentine Government learned about the unilateral British decision to establish a new "protection" zone around the archipelago.

The sources said that on the evening of 28 October, before an announcement was made in either capital, Defense Minister Horacio Jaunarena met with Brigadier General Teodoro Waldner, chief of the Joint Staff, and General Hector Rios Erenu, Vice Admiral Ramon Arosa, and Major General Ernesto Crespo, the chiefs of staff of the three services, whom he briefed on the situation.

On the morning of 29 October, the staffs of the three services analyzed the possibilty of using military forces to patrol the 50-mile zone in which the jurisdiction of the two countries overlaps.

The sources said that the initial analyses revealed that, from a strictly military viewpoint, the alternative was not feasible.

Because of routine maintenance operations, a considerable sector of Army aviation is not operational at this time. The problem is plaguing the Air Force and, to a lesser degree, the Naval air wing.

For the same reason, the number of Mirage planes headquartered in Rio Gallegos has been reduced.

Ninety percent of the Army's mechanized and armored units in the southern region are operational, because the British decision was announced as they were conducting their end-of-year maneuvers. However, the situation is different in the 2d Brigade, headquartered in Entre Rios, and in the 1st Brigade, headquartered in Tandil, Buenos Aires Province. Consequently, it was decided to create the military committee and to cancel leaves for recruits.

While the defense minister, the president, and other political leaders analyzed the situation, the Air Force chief ordered an A4B fighter-bomber squadron that was participating in the joint maneuvers at Pampa de los Guanacos to remain in Comodoro Rivadavia.

The idea was to keep that squadron in position should an order be issued that patrols be intensified, in which case there would be no time to move the Mirages from Rio Gallegos. Meanwhile, the Army land units continued their exercise, delaying their staggered redeployments to their home bases, waiting for instructions.

On, 31 October, the defense minister and the nation's president decided to promulgate a decree creating a military committee, despite the fact that the new defense law, under which it will be created, has not yet been passed.

They also ordered that the various regional strategic commands be reactivated, and issued instructions to the Naval prefecture and the national gendarmerie to contact the Joint Staffs of the three branches of the Armed Forces in order to start joint planning. At the same time, a directive was issued forbidding any unit of the Armed Forces and the Security Forces from adopting any decision military in character without the express orders of the nation's president.

As for the idea of ordering a mobilization to concentrate 40 percent of the military in the country's southern area, it was discarded both for political reasons and economic considerations, since its implementation would initially cost some $100 million.

Naval Operations Unchanged

PY041617 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1540 GMT 4 Nov 86

[Text] Mar del Plata, 4 Nov (NA) -- Navy Chief of Staff Vice Admiral Ramon Antonio Arosa asserted here today that "for the time being" the Navy's operational capacity in the South Atlantic will not change.

Arosa stated that "we continue to strive to improve the Navy's operational capacity with what we have at hand." He insisted that the current operational capacity "will be the same as that which we have been using so far, although our desire is to increase it to the ideal level."

Regarding the possibility that President Raul Alfonsin may have formally requested the Latin American navies' support in this conflict, Arosa stated that "he has not expressed this desire but he has explained his points of view regarding this conflict to the Latin American navies, and will continue to use our communication facilities, especially at sea, in addition to all our liason and reciprocal cooperation capability in order to contribute our effort to that of all the American nations." He ended by noting the importance of the chief of state having inaugurated the inter-American naval conference by "expessing our government's point of view on the gradual increase in Latin American ties."

OFFICIALS PURSUE INTERNATIONAL SUPPORT

Sabato Addresses EEC Panel

PY042104 Madrid EFE in Spanish 1759 GMT 4 Nov 86

[Text] Brussels, 4 Nov (EFE) -- Argentine Secretary of State for Foreign Affairs Jorge Sabato, on behalf of his government, has requested EEC support to settle the sovereignty dispute over the Malvinas Islands that is pitting Great Britain and Argentina against each other.

In Sabato's opinion, the British decision to expand its jurisdiction in the Malvinas Islands to 200 miles complicates the existing conflict between the two countries and gives way to the possibility that new incidents may occur.

During a press conference in Brussels in which he gave a detailed account of the current situation, Sabato said "the British statement is not the best way to ensure peace. The UK Governmert has shown that it does not want a peaceful solution to the problem."

Sabato made it clear that the official British statement, which was sent to Argentina and to international organizations such as the United Nations, states that "Great Britain immediately expands its jurisdiction over the Malvinas Islands to 200 miles, which involves territories under Argentine sovereignty, such as Estado Island, territories over which no problems previously existed." [sentence as received]

"Argentina cannot permit the violation of zones over which Argentina maintains peaceful jurisdiction, as recognized by the international community. We will not permit our rights to be violated," Sabato said.

Jorge Sabato explained in detail to Commissioners Antonio Cardoso, who is in charge of fishing affairs, and Claude Cheysson, in charge of North-South relations, that "Great Britain is not only maintaining its encroachment over the Malvinas Islands but is worsening the conflict, thus increasing the possibility of incidents and removing the possibility of achieving a peaceful solution."

"This poses a sovereignty problem, and the civilized manner of settling it is to sit down at a negotiating table to achieve a peaceful solution," stressed Sabato, who tomorrow will explain the Argentine stance to the French Government. He will do the same in Madrid on Thursday and in Rome on Friday.

Sabato emphasized that the Argentine Government has adopted some measures of "military precaution" to prevent possible incidents from taking place and that Great Britain has given a bad democratic example to the Latin American countries by unilaterally deciding to expand its jurisdiction over the Malvinas Islands.

Concerning the effect of the British decision on the stability of the Argentine democracy and Army, Sabato stated that "there is no danger whatsoever, because democracy has been ensured for a long time."

"What is obvious indeed is that this type of action conspires against democracy itself and questions the democratic practices of nations," Sabato said.

The EEC response to Jorge Sabato stressed that the EEC has no jurisdiction over the fishing zone around the Malvinas Islands and that the conflict is "bilateral," between the two nations.

An EEC source has stated that the EEC is endorsing negotiations to settle the conflict peacefully and fully.

Sabato stressed the stance adopted by the Raul Alfonsin governemnt which, since it assumed power, has been making every effort to peacefully settle the differences between the two nations. He said that the British statement "contradicts the UN recommendations and unilaterally modifies the prevailing situation."

The British decision to expand the economic exclusion zone around the Malvinas Islands to 200 miles was made lat Wednesday to preserve the resources in the area which, according to the government of Margaret Thatcher, are in jeopardy because of the increased number of fishing agreements Argentina has signed with third countries.

The Spanish Government has stressed that the "unilateral British decision has complicated the situation," and has reasserted the Argentine right of sovereignty over the Malvinas Islands.

The United States today offered its "good offices" to support the resumption of talks between Argentina and Great Britain.

Envoy Presents Note to UN

PY050107 Buenos Aires TELAM in Spanish 2333 GMT 4 Nov 86

[Text] Buenos Aires, 4 Nov (TELAM) -- The permanent Argentine mission at the United Nations today presented a note to UN Secretary General Javier Perez de Cuellar refuting a note issued by the permanent UK and Irish representative and the statement (?on fishing areas) in the Western Atlantic that the government in London attached to the note.

In his note, Argentine representative Ambassador Marcelo Delpech states that the British action is another violation of Argentine territorial jurisdiction, and that with this action the UK is creating a new source of tension and conflict in the area that will affect regional security and the interests of third parties.

Delpech also says that the British statement represents a clear setback to eliminating colonialism, which is a basic goal of the United Nations, and that it is a flagrant violation of specific recommendations made by the UN General Assembly on the Malvinas issue.

In conclusion, Delpech states that by seeking to regulate the exploitation of fishing resources in an area up to 200 miles and to exercise jurisdiction over the continental shelf around the Malvinas Islands, the British measure shows that the sovereignty dispute is the core of the Malvinas issue and that only by negotiating and peacefully settling the issue through bilateral negotiations can a final solution to this question and to all the problems related to it be achieved.

OTHER COUNTRIES REACT TO FALKLANDS DISPUTE

U.S. Supports Dialogue

PY042027 Buenos Aires DYN in Spanish 1840 GMT 4 Nov 86

[Excerpt] Buenos Aires, 4 Nov (DYN) -- The United States has decided to support a dialogue that leads to the peaceful settlement of the new Argentine-British crisis over the Malvinas. In addition, the Argentine Government has reiterated its firm determination to comply with the terms of the fishing agreements signed with the USSR, which provide for the operation of Soviet ships within the 150-mile "fishing preservation" zone.

The U.S. position was confirmed today by Vice President Victor Martinez, who gave some details of the 10-minute phone conversation betwwen Presidents Alfonsin and Ronald Reagan last night.

According to Martinez, Reagan told Alfonsin that it would be "advantageous and necessary to continue along the path of dialogue," and he "offered to do everything to support" the implementation of the dialogue.

Martinez explained that Alfonsin assured the U.S. President that "Argentina will continue to defend its rights at international forums and through peaceful measures."

Martinez reported these details of the conversation between the two presidents after his customary Tuesday meeting with Alfonsin, with whom he evaluated the situation created by Great Britain. [passage omitted]

Canada: ULC Move 'Inopportune'

PY042154 Buenos Aires TELAM in Spanish 1943 GMT 4 Nov 86

[Text] Buenos Aires, 4 Nov (TELAM) -- Canada has described the measures adopted by the British Government concerning the Malvinas islands as inopportune and likely to complicate further the already delicate situation in the South Atlantic. Canada has urged both sides to begin as soon as possible negotiations involving all the aspects of the dispute.

A communique released today by the Canadian Embassy in Argentina states that the etablishment of a provisional conservation and administration zone with a 200-mile radius around the Falklands/Malvinas islands and the establishment of a 200-mile fishing boundary is viewed by the Canadian Government as an inopportune action that will further complicate an already delicate situation in the South Atlantic.

The communique adds that the Canadian Government is concerned over the fact that these measures mix a valid concern for conservation with a (word indistinct) dispute over sovereignty. Canada would have preferred that the United Kingdom continue its efforts to arrive at a multilateral resolution on the conservation issue within the context of the Food and Agriculture Organization (FAO) of the United Nations.

In conclusion, the communique states that Canada has consistently refused to prejudge the conflicting sovereignty claims over the Falklands/Malvinas Islands and, on the contrary, has urged both sides to begin as soon as possible negotiations involving all aspects of the dispute in accordance with the UN Charter.

Peruvian Legislators Offer Aid

PY041537 Paris AFP in Spanish 1513 GMT 4 Nov 86

[Text] Lima, 4 Nov (AFP) -- Armando Villanueva del Campo, president of the Peruvian Senate, has stated that Peru will give military assistance to Argentina and will boycott British ships in its ports if the tensions that have arisen between the two nations in connection with the Malvinas Islands turn into another military conflict.

The Lima press today published the statement of Villanueva, who is also secretary general of the ruling American Popular Revolutionary Alliance, in the wake of the brief visit that Peruvian Social Democratic President Alan Garcia made to Buenos Aires to convey to his Argentine counterpart Raul Alfonsin Peru's solidarity with Argentina.

Let us not forget that the previous administration (Fernando Belaunde Terry's) supplied military aid during the Malvinas war in 1982, Senator Villanueva said.

As for the port boycott, this was announced by ruling party Deputy Luis Negreiros who recalled that this measure was levied against British flag-flying ships in 1982. We are aware that the sovereignty of the Argentine people is being trampled upon. The time has come to eradicate colonialist attitudes, Negreiros added.

Villanueva voiced his hope that the disagreement will be resolved peacefully for everyone's peace of mind, especially that of the inhabitants of the Latin American continent.

Chilean Navy Chief Responds

PY042258 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1743 GMT 4 Nov 86

[Excerpts] Mar del Plata, 4 Nov (NA) -- Chilean Vice Admiral German Guesalaga Toro, chief of the Chilean Navy General Staff, said here today that Great Britain's decision creating an economic protection zone around the Malvinas Islands "might cause more conflict in the South Atlantic."

He also said that although London's decision does not affect Chilean territory, "it affects us because we have always supported Argentine sovereignty over the Malvinas."

Guesalaya Toro, who is attending the Inter-American Naval Conference in Mar del Plata, is the second highest officer in the Chilean Navy after Admiral Jose Toribio Merino, a member of the Chilean Government Junta. [passage omitted]

Referring to the South Atlantic conflict, Vice Adm Guesalaga reiterated that Chile "has always recognized and supported Argentine sovereignty over the islands."

"The Chilean support has been permanent. Regarding what happened in 1982, our officials have made it clear that we reject the use of force and are in favor of submitting such conflicts to international courts. That is, we are in favor of peaceful solutions." he said.

Ortega Expresses 'Solidarity'

PA040211 Managua Domestic Service in Spanish 2347 GMT 3 Nov 86

[Message from Nicaraguan President Daniel Ortega to the people of Argentina, issued by the Press and Information Directorate of the Presidency in Managua on 3 November]

[Text] Your Excellency Raul Alfonsin, president of the Republic of Argentina.

President and friend: In response to the unacceptable and illegal decision by Great Britain to declare an economic zone of 200 miles around the Malvinas Islands, which endangers Latin American peace and security, I express the decisive solidarity of the Nicaraguan Government and people with the Argentine Government and people.

You can count, dear president, once more and as often as necessary, on Nicaragua's support for all the initiatives and measures your government may adopt in legitimate defense of the territorial integrity and sovereignty of the Argentine nation.

Fraternally,

Daniel Ortega Saavedra

President of Nicaragua

Costa Rica Offers Support

PA050357 San Jose Radio Reloj in Spanish 0100 GMT 5 Nov 86

[Text] A communique issued this afternoon by the Costa Rican Foreign Ministry states that Costa Rica supports the Argentine Government and President Raul Alfonsin in his effort to find a just solution to the conflict with the UK over the Malvinas Islands.

The communique urges the sides in conflict to be consistent with the international commitments they have made and to initiate negotiations that will lead to a peaceful and lasting solution to the conflict. Costa Rica's support of the Argentine Government is in keeping with the UN Charter and the resolutions adopted by that international organization's general assembly.

The Costa Rican Government has expressed its concern over the UK statement to the effect that a 277-km [as heard] area of economic conservation will be established around the Malvinas Islands. This action, the government feels, will not contribute to the climate of detente that should exist between the sides. Quite the contrary, it is an obstacle to the peaceful and satisfactory solution of the conflict over the territories in question. Costa Rica also feels that the UK statement does not take into consideration the negotiation efforts promoted by the international community.

The Costa Rican Government feels that the UK statement affects the many resolutions issued by the UN General Assembly, which on various occasions has urged the sides in conflict to seek a peaceful solution.

The Foreign Ministry communique adds that it is worrisome that the UK statement came only 2 days after the document declaring the South Atlantic a peace zone was approved. The Costa Rican Government feels that the British statement casts doubt on the effectiveness of the South Atlantic peace zone, and it therefore supports the Argentine Government in its effort to solve the conflict.

DOMESTIC SECTORS PONDER FALKLANDS ISSUE

Expropriation Considered

PY042034 Buenos Aires TELAM in Spanish 1924 GMT 4 Nov 86

[Text] Viedma, 4 Nov (TELAM) -- Rio Negro Governor Osvaldo Alvarez Guerrero today announced that his government is studying the possibility of expropriating some land that belongs to British companies in the southwestern region of Rio Negro Province, near the Andean Mountains.

Citing a specific case, Alvarez Guerrero told the press that the town of Pilcaniyeu is enclosed within the Pilcaniyeu Ranch, some 100 km from Bariloche. This ranch is owned by the Southern Argentine Lands Company -- Compania Argentina de Tierras del Sur, a British company.

Alvarez Guerrero said that in order to determine the status of the various British possessions in Rio Negro Province, some of which might be having legal problems, the provincial congress will be requested to appoint an investigative committee.

Caputo Briefs Ubaldini

PY041816 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1613 GMT 4 Nov 86

[Text] Buenos Aires, 4 Nov (NA) -- The CGT [General Confederation of Labor] today told the Government that "the flag of sovereignty is the inalienable flag of the workers," and voiced its support for the efforts being made to defend national interests and the need to create conditions for a growing national unity in order to safeguard the Argentine sovereign interests."

CGT Secretary General Saul Ubaldini made this statement to Foreign Minister Dante Caputo during a meeting held around noon, during which Caputo explained to Ubaldini "the scope and consequences of the measure adopted by the United Kingdom." Caputo, during a brief talk with journalists, disclosed that, during the message he will address to the country over a radio and television network tonight, "I will explain what the British measure entails, its scope, and why we consider it to be an aggression."

The foreign minister and the union leader held a closed-door meeting from 1100 [1400 GMT] until after 1200 [1500 GMT]. During this meeting, Caputo explained to Ubaldini the political and diplomatic details of the British decision.

At the end of the meeting, Caputo and Ubaldini met with the media. The foreign minister read a brief document referring to the content of their meeting. The document begins by stating that Ubaldini "was invited to the Foreign Ministry to be briefed on the situation, prompted by the decision taken by the United Kingdom on 29 October."

The document then states that Caputo explained to Ubaldini "the scope and consequences of the United Kingdom's measure, which represents an aggression against the national interest," and "mentioned the diplomatic actions which the national Government will take."

The document notes that Ubaldini stated that "the defense of sovereignty is the inalienable flag of the workers," and voiced to the minister "support for the efforts being made to defend the national interest and the need to create the conditions for a growing national unity to safeguard the Argentine sovereign interests."

When asked about the message that he will read at 2100 [0000 GMT] tonight, Caputo disclosed that he will "use a chart to explain the situation," and this chart will show that "the British first occupied the house and the sidewalk, and they now want to occupy the yard. Argentina wants to discuss to whom the title of the house belongs." He added that we will thus explain to our fellow citizens what the British measures entail, what scope it has and why we consider it to be an aggression.

GDR'S HERMANN MEETS SENATE PRESIDENT MARTINEZ

PY040311 Buenos Aires TELAM in Spanish 0031 GMT 4 Nov 86

[Text] Buenos Aires, 3 Nov (TELAM) -- Senate President Victor Hipolito Martinez today received Axel Hermann, member of the Politburo and secretary of the Socialist Unity Party of the GDR. During the meeting, Hermann and Martinez expressed their belief that only through bilateral political negotiations will the South Atlantic and Central American conflicts be solved.

At the end of his meeting with Martinez, the GDR politician referred to the necessity of preserving peace and of adopting measures to end the arms race and Star Wars. Hermann said there are now good conditions for developing concrete economic, scientific, cultural, and technological projects between our two countries.

Hermann also said he agrees with point one of the statement issued by the foreign ministers in Punta del Este, and that the GDR will continue to actively support Argentine President Alfonsin's peaceful policy. He concluded by saying his country will exert pressure to implement the UN resolutions urging peace, and to ensure the Malvinas Islands will never be used as military bases for foreign powers.

ALFONSIN CONFIRMS U.S. TRIP; GARCIA DEPARTS

PY040009 Buenos Aires DYN in Spanish 2254 GMT 3 Nov 86

[Text] Buenos Aires, 3 Nov (DYN) -- President Raul Alfonsin tonight confirmed that he will travel to the United States on 16 November and that, on a subsequent tour, he will visit Brazil to meet his Brazilian counterpart, Jose Sarney.

Alfonsin made the announcement at the military section of the metropolitan airport shortly after seeing off his Peruvian counterpart, Alan Garcia, who departed for Ezeiza International Airport at 1930 [2230 GMT] where he will board a return flight to his country.

MINISTER VIEWS U.S. JOINT TASK PAPER ON DRUGS

PY050252 La Paz EL DIARIO In Spanish 30 Oct 86 p 3

[Text] Information Minister Hernan Antelo has stated that the government has approved a position paper on the future joint tasks that must be carried out to eradicate drug trafficking and this document will be submitted to the U.S. Government.

Interior Minister Fernando Barthelemy; Defense Minister Fernando Valle; Agricuture, Livestock, and Campesino Affairs Minister Edil Sandoval; Foreign Minister Guillermo Bedregal; Planning and Coordination Minister Gonzalo Sanchez de Lozada; Presidential Secretary General Juan Carlos Euran; and Information Minister Hernan Antilo met with President Victor Paz Estenssoro on 29 October and gave him a detailed report on the meetings with the U.S. commission that discussed the eradication of drug trafficking within the country.

Antelo said a preliminary agreement has been reached "that will serve as the basis for negotiating future basic aspects dealing with the destruction, trafficking, and manufacture of the drug, and even more important, with the substitution of the coca plantations."

According to the minister, the government has the basis for negotiating and reaching an agreement on the operational and financial aspects.

Although the United States has offered $260 million for the 3-year plan, the Bolivian Government believes the U.S. Government should respond with more effective assistance in the fight that will take place in our country.

The substitution of the coca plantation is one of the government's concerns, and it believes that substitutes that will favor both the farmers and the country in general should be on had at the appropriate time.

"The fact that must be taken into account is that there must be substitutes for each hectare of coca plants that is eradicated," Antelo stressed. He also stated that technical organizations are drafting a plan that will respond to the interests of the majority.

Antelo said, "The future agreement contains a series of factors that are based on the experience we have obtained over the years." He explained that the government has obtained vast experience since the arrival of the U.S. troops and their participation in the fight and that taking this experience into account, the government has the intention of putting the drug repression organizations in charge of all the operations carried out within the country.

Although he did not want to say when the binational commission will meet again, he did say that it could be before the end of the year in the United States.

SABOIA ANNOUNCES TRANSFER OF ORDERS TO INDUSTRY

PY311221 Rio de Janeiro O GLOBO in Portuguese 28 Oct 86 p 23

[Text] The Brazilian Navy will place orders for the construction of military surface vessels, currently done by the Rio de Janeiro Naval Shipyard, in the hands of the private shipping industry. The announcement was made last night by Navy Minister Admiral Henrique Saboia during the inauguration of the 11th National Congress of Maritime Transport and Naval Construction organized by the Brazilian Association of Naval Engineering (Sobena) at the auditorium of the BNDES [National Economic and Social Development Bank] in Rio de Janeiro.

According to Minister Saboia, during the next 10 years the Navy should place orders with the private shipping industry for 12 to 16 motor boats; 12 patrol ships of 200 and 400 tons displacement; and 6 or 8 patrol ships of 1,000 tons displacement. Besides the two corvettes it is currently building, the navy shipyard will, from now on, only build prototypes.

Saboia said "the shipyard's main task will be to acquire the capability to build submarines and highly specialized vessels."

The Navy has about $35 million (493.1 million cruzados) per year, obtained from royalties on oil production, to pay for the orders that it will place with private industry. Other orders, however, that are placed with the private sector, such as the construction of two corvettes that have alread been placed with the Verolme Shipyard, will be covered by funds already allocated in the Navy budget. Currently, the Navy has called for bids for the construction of six patrol ships and another two bids will be called next year for the construction of a 1,000-ton displacement patrol vessel and a vessel designed for the Navy Antarctic Program.

MINISTER DENIES NUCLEAR PROGRAM SUSPENSION

PY031650 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 1 Nov 86 p 26

[Text] Mines and Energy Minister Aureliano Chaves yesterday met in Rio de Janeiro with Licinio Seabra, president of Nuclebras and its subsidiaries, to deny reports that the nuclear program will be suspended after the construction of Angra III. The decision on the construction of other plants will be made only after 1989, "when we have more data to decide whether it is convenient or not," Seabra stated.

The ministers stated that during the meeting, "I ratified what has already been agreed on in the report released by the top-level experts. This report was already approved by President Jose Sarney: the nuclear program will continue. Now we are fighting for the flow of resources to be channeled so that the construction of Angra II and III is feasible." He added that the ministers of the economic team know that there is a document approved by the president of the republic and that they will have to put it into practice and release the necessary funds for the continuation of the program next year.

The minister added that, should the construction of the nuclear plants be delayed, the program will become unfeasible "as happened with the steel plants, which, in Brazil are some of the most efficient in the world. But the delay in releasing funds has placed Siderbras [Brazilian Iron and Steel, Inc] in a very difficult situation. With the hopes that there will be no delays in the construction of the nuclear plants, Chaves admitted that "the ministers of the economic area are having difficulties and that they have never displayed any discrimination against the atomic energy sector."

The minister does not know when Angra I will begin operating again, but said that "it will resume activities when tests prove that the reactor is in keeping with international security rules."

After the meeting, Seabra stated that President Sarney has decided to continue with the nuclear program, although he did not set any date for the construction of the other plants. The Nuclebras president added that the nuclear sector will need $1 billion for next year, $600 million of which will be used for servicing the debt, and the remaining $400 million for investments. "The continuation of the program is important because of the energy problems that the country is facing and in view of the establishment of economic growth during the next few years," he stated.

Seabra added that the minister "has expressed concern over the suspension of the nuclear program in case the resources are not released by next year." He said that, for the maintenance of the technical teams, there must be a minimum amount of work in the nuclear sector, guaranteeing at least a small amount of continuity in the program. Seabra added that "the construction of Angra II will not be delayed, despite a 50 percent reduction in the engineering work until the end of this year."

FUNARO REAFFIRMS PRICES ON BEEF, OTHER PRODUCTS

PY300404 Rio de Janeiro Rede Globo Television in Portuguese 2155 GMT 29 Oct 86

[Text] Finance Minister Dilson Funaro has just told this newscast tonight that there is no reason to reduce the number of cattle slaughtered, for one simple reason: The government will not lift the freeze on the price of meat or on any other product.

Funaro said that the cattle farmers' supposition that the price freeze will be lifted is once again making them hide their cattle. Therefore, Funaro said, the government may again confiscate cattle to guarantee the average slaughtering of 19,000 cows per day in the country.

BRIEFS

AIDS CASES REPORTED -- Ricardo Veronese, a specialist in infectious and parasitic diseases, has reported that at least 3,000 of the 7,000 prisoners held at the Sao Paulo penitentiary and detention center have AIDS. Veronese bases his statement on an investigation he conducted among the so-called risk groups. According to Professor Veronese, promiscuous sexual behavior in prisons is nothing new. [Summary] [Sao Paulo Radio Bandeirantes in Portuguese 1500 GMT 28 Oct 86 PY]

DENGUE CASES IN CEARA -- The Superintendency of Public Health Drives in Ceara State has appointed 1,000 men to fight the Aedes Aegypti mosquitoes. They hope to eradicate these mosquitoes in Fortaleza within 36 days. So far, 1,363 dengue cases have been registered in the state, most of them in Fortaleza. [Text] [Brasilia Radio Nacional da Amazonia Network in Portuguese 0900 GMT 30 Oct 86 PY]

ISRAELI DRUG TRAFFICKER CAUGHT -- The Federal Police have confirmed that one of the drug trafficking gang leaders captured in Sao Paulo 15 days ago, together with 380 kg of cocaine, is really a famous former Israeli soccer player who escaped from a Tel Aviv prison in June 1985. Although he said he was Rolando Ventura Silvera, Paraguayan, nicknamed Papi, the police discovered that his real name is David Ben Calderon, 34, who escaped from an Israeli prison where he was serving a term for trafficking heroin. [Summary] [Rio de Janeiro Rede Globo Television in Portuguese 2155 GMT 29 Oct 86 PY]

PINOCHET ORDERS CNI TO GRANT COURT REQUESTS

PY010432 Santiago Domestic Service in Spanish 2200 GMT 31 Oct 86

[Text] President Augusto Pinochet has ordered the interior and defense ministers to reiterate to the National Intelligence Center [CNI] that it must comply with court requests and that it must strictly abide by the law.

In a note to the Supreme Court, the president informed the justices of his decision. President Pinochet thus answered a note that the court recently submitted to him. the court's note mentioned specific cases in which the CNI failed to comply with requests from the Concepcion, Valdivia, and Presidente Aguirre Cerda Appellate Courts, adding that the agency either failed to provide accurate information or did not present detainees as had been requested by the courts under injunction proceedings.

In the final part of his note to the Supreme Court, President Pinochet stated, quote, I beg the Supreme Court to immediately let me know through the justice minister about any problem that may arise in this regard to promptly resolve it, unquote.

DETAINED TERRORIST TRIES TO COMMIT SUICIDE

PY041732 Santiago Domestic Service in Spanish 1600 GMT 4 Nov 86

[Excerpt] Affected by the remorse he felt and the great indignation resulting from the attack perpetrated against President Augusto Pinochet, Victor Diaz Caro, one of the terrorists who has been charged with this attack, tried to commit suicide.

Ad Hoc Military Judge Fernando Torres Silva today confirmed that Diaz Caro cut himself badly, but he is now out of danger. [passage omitted]

CHURCH ASKS GOVERNMENT TO 'END EXILES' FOR POPE

PY042219 Santiago Radio Chilena in Spanish 1600 GMT 4 Nov 86

[Excerpt] The Chilean Catholic Church has formally requested that the government end exiles within the program of the upcoming visit by Pope John Paul II to our country. The church is also studying the idea of requesting an amnesty for all the people under arrest in the country.

This was announced by Msgr Francisco Jose Cox, executive secretary of the commission in charge of the Pope's visit, during a working breakfast with reporters. Regarding the possibility of an amnesty request for people under arrest, Msgr Cox said that he is hopeful the church will receive a positive reply from the authorities. [passage omitted]

TORO MEETS OPPOSITION, CRITICIZES PARTIES

PY311820 Madrid EFE in Spanish 1428 GMT 31 Oct 86

[Text] Santiago, 31 Oct (EFE) -- Retired General Agustin Toro Davila, who held important positions in the current military regime, is meeting with leaders of political parties.

According to Federico Errazuriz, a member of the Liberal Party, Gen Toro Davila, former rector of the University of Chile, is conducting an "inquiry" among different opposition parties.

Errazuriz said Toro Davila believes the political parties "are not offering the country the solutions that the situation requires."

Gen Toro Davila, who in the last few days met with liberals, socialists and social democrats, will now meet with the leadership of the Christian Democratic Party.

PEACE COMMISSION INVITES UNION LEADER TO JOIN

PY042215 Santiago Radio Chilena in Spanish 1600 GMT 4 Nov 86

[Excerpt] Jose Ruiz Di Giorgio, president of the National Federation of Oil Workers, has been invited to join the South American Commission for Peace, National Security, and Democracy.

Ruiz Di Giorgio, who was very honored by the invitation, explained that the commission is made up of such great Latin American personalities as former Ecuadoran and Colombian Presidents Osvaldo Hurtado and Belisario Betancur, respectively; Nobel Peace Prize winner Adolfo Perez Esquivel; Nobel Literature Prize winner Gabriel Garcia Marquezi, and others. Ruiz Di Giorgio added it is an honor for him to have been chosen along with another Chilean, Cardinal Raul Silva Henriquez. [passage omitted]

BRIEFS

FIRST REGION INTENDANT -- General Washington Garcia will take office as the new Tarapaca Intendant, in the First Region, on 13 November. General Garcia was recently appointed as Commander in Chief of the 6th Army Division. [Summary] [Santiago EL MERCURIO in Spanish 24 Oct 86 p CB PY]

FOREIGN RESERVES POSITION -- The Central Bank has reported that on 12 September, Chile's foreign reserves stood at $1,598,300,000, which represents a move toward the December 1985 high of $1,886,600,000. The Central Bank also reported that the balance of payment deficit is currently down to $311.7 million. [Summary] [Santiago EL MERCURIO in Spanish 25 Oct 86 p B3 PY]

GDP INCREASED -- The country's GDP has registered increases of 4.3, 7.2, and 4.5 percent in the first, second, and third quarters of this year. [Excerpt] [Santiago EL MERCURIO in Spanish 24 Oct 86 p B1 PY]

INDUSTRIAL PRODUCTION GROWS -- Chilean Finance Minister Hernan Bucci has disclosed that industrial production during the first 9 months of this year increased by 7.4 percent. [Summary] [Santiago Domestic Service in Spanish 0930 GMT 4 Nov 86 PY]

REBEL PLAN FOILED, TROOPS RESTRICTED TO QUARTERS

PA032023 Bogota Cadena Radial Super in Spanish 1730 GMT 3 Nov 86

[Text] A huge terrorist plan that sought to blow up most of the power pylons in the Cundinamarca Department has been foiled by police. An attempt was to be made to indefinitely cut electricity to the Cundinamarca Department. The action was to have been carried out at the Tequendama and Giradot municipality power pylons, (Plandes) and (Mesito del Colegio) [not further identified].

Authorities said the National Guerrilla Coordinating Board was responsible for the aforementioned plan. The plan also called for various terrorist actions in northern Tolima and attacks on prisons in Bogota and in major cities of the department. The Cundinamarca police, led by Colonel Jose Gonzalo Cuervo Joya, reported that the foiled plan was one of the largest ever uncovered in the country.

Meanwhile, the Armed Forces have been placed on alert status to confront the announced terrorist plan in commemoration of the first anniversary of the Palace of Justice takeover. The Army and police have been restricted to quarters as of 0000 tomorrow and continuing through 8 November.

FARC SEEKS NEW COMMISSIONS FOR DIALOGUE

PA022035 Hamburg DPA in Spanish 1757 GMT 2 Nov 86

[Text] Bogota, 2 Nov (DPA) -- It was revealed today that the Revolutionary Armed Forces of Columbia (FARC), currently observing a truce with the government, has sent a message to President Virgilio Barco Vargas asking him to appoint a new peace commission to facilitate the dialogue process.

Upon assuming the presidency of Columbia on 7 August, Barco Vargas announced he would talk directly with the subversive organizations and not through a peace commission composed of elements from various sectors. Former conservative President Belisario Betancur had used the commission in his talks with these organizations.

FARC guerrilla leaders stated a new peace commission would have more possibility for action than the system currently being used. In the current system talks take place only through Carlos Ossa Escobar, the presidential adviser for reconciliation. According to FARC, Ossa Escobar alone "cannot possibly cover all the problems throughout the national territory that deal with the peace process."

The FARC leaders also asked that the truce process be supervised by a verification commission -- as during the Betancur administration -- and not by judges, as is the current practice, because "any momentary lapse could be harmful to the truce." Several procedures involving the dialogue between the guerrilla groups and the government noticeably changed following the change of government from Betancur to Barco Vargas.

In their message, the FARC leaders also call for the creation of the post of delegate state attorney for human rights and for the inclusion in Congress of a permanent human rights committee. According to the proposal, this committee could replace the verification commission in the event that it is not recognized.

According to FARC, it is necessary to resume several procedures used during Betancur's administration because they had "a more logical sequence for the demobilization of the armed groups and included policies on the treatment of the peace process and true reconciliation."

The FARC leaders also requested special protection for the leaders and militants of the Patriotic Union, a leftist political movement that the FARC, the Communist Party, and other labor and popular organizations support. In the March congressional elections, the Patriotic Union secured 14 seats in the bicameral Congress. In recent months more than 350 Patriotic Union militants, including two congressmen and several municipal aldermen, have been murdered.

6 SOLDIERS, 5 GUERRILLAS DIE IN ANTIOQUIA CLASH

PA020405 Bogota Television Service in Spanish 0100 GMT 1 Nov 86

[Text] Six soldiers and five subversives have been killed in clashes at Las Camelias, jurisdiction of Carolina Municipality, Antioquia Department, 110 km from Medellin. A communique issued today by the 4th Brigade indicates that Lieutenant Luis Fuentes Gomez and five soldiers of the Cartagena Battalion were killed. The dead insurgents -- four men and a woman -- belonged to the National Guerrilla Coordinating Board. The inhabitants of Carolina are afraid there will be further fighting.

GARCIA VOWS TO PUNISH, REPRESS TERRORISM

PY011515 Lima Television Peruana in Spanish 0100 GMT 1 Nov 86

[Text] The full weight of the law will fall on terrorists. President Alan Garcia Perez this afternoon stressed the need to create special courts and appoint special judges for trying terrorists and for speeding up trials. The president made this statement after meeting with Supreme Court President Hector Beltran Rivera and with Court justices at the Court Palace. President Garcia announced the creation of special courts and the appointment of judges who will receive appropriate protection, so that they may punish terrorists for their crimes.

Garcia, who was accompanied by Interior Minister Abel Salinas and Justice Minister Carlos Blancas Bustamante, stayed at the Court Palace for over 1 hour.

[Begin Garcia recording] I visited the Court Palace and the Supreme Court president this afternoon. The country has been shaken by terrorism. Society feels defenseless against it. We want to punish and repress terrorists and criminals.

On 31 October I heard a priest quoting Saint Paul as saying that God forbids but he punishes. Society must punish, but our legal system has failed to properly punish crime. Consequently, society feels defenseless, because it has failed to apply the strict punishment that is needed to put an end to this situation. Terrorists avail themselves of the law to receive benevolent treatement and to evade punishment. They serve only 1/3 of their prison terms -- that is, they are released before serving the entire term It is seldom possible to find evidence to indict them, and they intimidate policemen and judges, who are defenseless. Therefore, we must join our efforts. The supreme Court and the judicial branch should coordinate actions with the executive and legislative branches. The country is asking for justice. This bloodshed and the economic losses caused by terrorism must end immediately. That is why I came here.

I believe this is the first time in a long period that a president has visited the Court Palace to put forward a proposal to the Supreme Court president and to the Judicial Branch. We need special, properly protected courts, made up of judges who should be willing to act on behalf of society. They must be properly protected to avoid intimidation and coercion. We must modify our procedures, so that the terrorists and the perpetrators of death no longer profit by what they call presumptions. We must speed up the trials and impose more severe penalties.

These provisions are included in the draft laws that we will submit to Congress next week, after consulting with the Judicial Branch and the Supreme Court president. We need special courts and special judges, who will enjoy proper protection and who should be willing to impose penalties.

Trials and proceedings must also be accelerated and penalties extended. The murderer of Admiral Geronimo Caferatta, who was a friend of mine, had been released shortly before the attack that claimed the admiral's life, because there was no evidence to indict her.

However, she had been arrested even before that date. How long will Peruvian society bear these maneuvers, deceptions, and hypocrisies? We must not be afraid of imposing penalties. The more drastic and strict the penalty, the more respect society will command, and the more security Peruvians will enjoy.

The worst thing that can happen to a country is to lose fear of the law, the judges, and the instruments of justice. Therefore, we must enforce a policy of social discipline, putting an end to a situation in which terrorists are jailed and later released to sow death and economic loss.

I want to tell you that Dr Beltran and other justices and judges have positively reacted to our proposal, displaying willingness to guide and cooperate with us. I believe that if the Executive Branch, the chief of state, and the Judicial Branch -- which must act independently with regard to the new laws against terrorism -- couple their efforts with the moral authority for Congress, we will be able to confront those who must be properly repressed and punished. The police are gradually identifying those people through the work of the Joint Command.

I can tell you that the battle against those of you who are on the wrong side -- murderers and terrorists -- will be very hard. Yet I can assure you that the government will do everything in its power to punish and repress terrorism, which is what society wants, and to once and for all wipe out the scourge of terrorism, no matter what and no matter who. [end recording]

GARCIA RETURNS FROM ARGENTINE SOLIDARITY VISIT

PY041241 Paris AFP in Spanish 0441 GMT 4 Nov 86

[Text] Lima, 3 Nov (AFP) -- President Alan Garcia returned to Peru tonight following his trip to Argentina to express solidarity over the Malvinas Islands problem. The presidential DC-8 plane arrived at Lima airport at 2315 local time (0415 GMT). Garcia was welcomed by his ministers and the main authorities of the country.

Garcia traveled to Argentina this morning to express his support to the Argentine people following Great Britain's decision to create a 200-mile maritime administration zone around the Malvinas Islands. The congressmen who represented all political organizations of the country, and who made up the delegation, arrived together with the president of the republic following his 8-hour trip to Argentina. [sentence as received]

PATH KILLS TWO VIGILANTE LEADERS IN PATAPATA

PY281428 Paris AFP in Spanish 0048 GMT 28 Oct 86

[Text] Lima, 27 Oct (AFP) -- Police sources have reported today that two peasant vigilante group leaders were killed by Shining Path guerrillas in the town of Patapata. About 21 armed men and women this morning took over the town and killed the deputy district governor and the chairman of the peasant vigilante group committee. They later proceeded to cut the hands off the bodies. Patapata is a town located 97 km north of Ayacucho.

Two Shining Path activists were arrested by soldiers in the Tocto area 67 km from Ayacucho as they were stopping vehicles and forcing them to pay a toll. A female subversive armed with a submachine gun was arrested in Lima but two men with her escaped. The group was found near a school near the War Ministry. In Huancayo, 310 km east of Lima, people this morning found walls covered with placards bearing pictures of guerrilla leader Luis de la Puente, who was killed in October 1965. The placards also show CRP (People's Revolutionary Command) [Comando Revolucionario del Pueblo] and MIR (Movement of the Revolutionary Left) slogans.

BROAD FRONT LEADER SENDS SUPPORT TO ALFONSIN

PY041751 Paris AFP in Spanish 1436 GMT 4 Nov 86

[Text] Montevideo, 4 Nov (AFP) -- General Liber Seregni, president of the Uruguayan Leftist Broad Front, has sent a note to the Argentine Government expressing solidarity and his fervent support for the new conflict between Buenos Aires and London over the Malvinas Islands.

The note, sent to President Raul Alfonsin, termed the British decision to establish a 150-mile fishing preservation area around the islands as a new form of colonial aggression. Now more than ever the defense of the South Atlantic as a zone of cooperation and peace must unite all Latin Americans, Seregni stated in his note.

SENATOR CANCELS TRIP TO LONDON 'OVER FALKLANDS'

PY041451 Madrid EFE in Spanish 0249 GMT 4 Nov 86

[Text] Montevideo, 4 Nov (EFE) -- Juan Raul Ferreira, president of the Senate International Affairs commission, cancelled his trip to London to show solidarity with the Argentine claim of sovereignty over the Malvinas Islands.

Senator Ferreira, who belongs to the main opposition in Congress, the National (Blanco) Party, was invited by the British Government to visit London. His secretary confirmed that his trip has been canceled. Ferreira will officially communicate his decision to the British Embassy in Montevideo tomorrow.

According to political and media sources, the cancellation of the trip was an "indirect" consequence of the new dispute in the South Atlantic caused by the British decision ot establish a 150-mile fishing exclusion zone around the Malvinas Islands.

BRIEFS

ALGERIAN TRADE AGREEMENT -- Uruguay today signed a trade agreement with Algeria to supply the Algerian market with 1,500 square feet of leather, 400 tons of tobacco, and 1,500 tons of tallow, sunflower oil, and beef. The agreement was signed by Minister of Industry and Energy Jorge Presno and his Algerian counterpart who is visiting Uruguay. [Summary] [Montevideo Radio Carve in Spanish 0000 GMT 29 Oct 86 PY]

CIES VICE PRESIDENT -- Alfredo Plata was today elected Inter-American Economic and Social Council [CIES] Executive Board Vice President. Alfredo Plata is the Uruguayan delegate to the regional organization. [Summary] [Montevideo Radio Carve in Spanish 0000 GMT 29 Oct PY]

BROAD FRONT DEPUTY DIES -- Broad Front Deputy Jorge Andrada Ambrosoni has died of a cerebral hemmorhage in Saltos City. [Summary] [Montevideo Radio Carve in Spanish 0930 GMT 25 Oct 86 PY]

CENTRAL BANK RESERVES INCREASE -- The Uruguayan Central Bank has reported that its international reserves have increased by $43 million in September. The total increase during the first 9 months of the year amounts to $207.9 million. The Central Bank's total reserves now stands at $643 million. [Summary] [Montevideo EL DIA in Spanish 16 Oct 86 p 12 PY]

VISITING CUBAN EDUCATION MINISTER REVIEWED

FL041732 Mexico City NOTIMEX in Spanish 0123 GMT 4 Nov 86

[Text] Mexico City, 3 Nov (NOTIMEX) -- The Cuban people and Government have always supported all just causes and unconditionally support the Argentines in their struggle to recover the Malvinas Islands. This was expressed today by Cuban Education Minister Jose Ramon Fernandez, who attended the reopening ceremony of the Jaime Nuno Primary School located in the Pedregal de Santo Domingo subdivision. This school was rebuilt with Cuban funds.

Interviewed at the end of the ceremony, the Cuban official indicated that when the Malvinas Islands conflict arose his country expressed its solidarity with the Argentine people and Government. Asked about his opinion on the U.S. congressional elections, Jose Ramon Fernandez said the whole world will have hope of being able to live in peace if the Democratic Party wins, because President Ronald Reagan's mad imperialist drives would be curbed. He added that his country unconditionally supports and will support any policy that opposes the crazy policies of the current U.S. President who is trying to lead mankind into a holocaust.

Regarding the pressures Mexico is being subjected to by the U.S. Government, Fernandez said Mexico has shown strength, integrity, and has proven its capabilities to struggle, its freedom-loving spirit that enables it to defend itself from any kind of attack no matter where it comes from.

NINE SOLDIERS KILLED IN ANTIDRUG OPERATIONS

FL311845 Mexico City NOTIMEX in Spanish 1700 GMT 31 Oct 86

[Text] Mexico City, 31(NOTIMEX) -- During the last 20 days, a Mexican Armed Forces spokesman said nine members of the Mexican Army died while fighting drug trafficking. General Manuel Diaz Gamboa, commanding officer of the 21st Military Zone in Michoacan State, said the casualties took place in operations known as Condor and Panther carried out in the mountains of western Mexico.

The commanding officer said 1,000 hectares of poppy and marijuana have been destroyed in these areas. The totals approximately 1,000 hectares [as received] during the period between 10 October and 24 October. Eighty-eight alleged drug traffickers were captured, the army official said.

BRIEFS

GASOLINE PRICES INCREASE--New gasoline prices were enforced today. Ignacio Armida, president of Mexico City's chamber of Commerce, asserted that the 12.8 percent increase is part of the plan to put public finances on a sound basis. He added that the increase in no way implies indiscriminate hike in prices. Likewise, Senator Angel Aceves Saucedo added that the increase in gasoline prices is an unpopular measure, but necessary to invest in the social development programs. [Summary] [Mexico City Red Nacional de Television in Spanish 1955 GMT 29 Oct 86 PA]

GOVERNMENT REPORTEDLY SEEKS GORBACHEV VISIT

PA041456 Panama City EXTRA in Spanish 4 Nov 86 p 1

[Text] Sources close to the Foreign Ministry have reported to EXTRA that the Panamanian Government is making efforts to see if USSR President [as published] Mikhail Gorbachev will visit our country during his announced visit through several Latin American countries.

As is public knowledge, President Gorbachev -- who is also general secretary of the CPSU -- announced he will shortly travel to Mexico, Brazil, and Argentina, making a service stop in Panama for a few hours. However, the source -- who requested he not be identified -- told us our country is making contacts so he will extend his visit at least a couple of days.

According to the source, our government's measure is an act of pressure or blackmail against the U.S. Government for the repeated attacks by the U.S. intelligence authorities against the high-ranking members of the military hierarchy ruling us for the last 18 years.

BELIZE

GUATEMALANS 'WILLING TO RECOGNIZE' INDEPENDENCE

FL041838 Bridgetown CANA in English 1831 GMT 4 Nov 86

[Text] Belmopan, Belize, Nov 4 CANA -- Belize and Guatemala appear to have edged closer towards some kind of direct contact to settle a more than a century-old boundary dispute that initially stalled Belizean independence from Britain and has kept a strong British military garrison in Central America's only English-speaking state.

Senior officials here said today the new Guatemalan administration of President Vinicio Cerezo had shown a willingness to recognize Belize's existence, though stopping well short of abandoning his country's claim to large tracts of Belize. The position is that Guatemala is available to discuss with Belize a solution to the problem, one senior official here told CANA. They are willing to recognise the fact that Belize is a separate entity, and are willing to discuss future relations, the official added. The official, in turn, cited Belize's long-standing offer to negotiate a settlement directly with Guatemala, a move previous Guatemalan administrations have steadfastly avoided.

But the emergence of Guatemala's first democratically-elected government in more than 30 years has clearly improved the climate for a peaceful settlement, and prompted NEW BELIZE, the official government publication here, to declare recently that conditions for settlement have never been better.

Government officials here said, however, that the fresh Guatemalan approach to the problem, apparently expressed by President Cerezo himself, has not been formally communicated to the Belizean Government.

But, officials added that since the resumption of consular relations between Britain and Guatemala recently, Belize has had the services of an intermediary to Guatemala.

Meanwhile, in a significant indication of changing times, Belize will send a delegation of observers to next week's annual general assembly of the Organisation of American States (OAS) to be held in Guatemala City. The Belizeans were invited by the OAS itself, but the Government of Guatemala had the option of refusing entry to the Belizean delegation, an official here explained.

However, the Guatemalans have indicated they will have no objection to the Belizean presence in Guatemala City, the official added. We feel quite comfortable sending a delegation, and we are always available for any bilaterals, the official declared.

The Belizean delegation is, however, expected to be a somewhat low level team, probably led by the country's ambassador to the United States.

The continuing Guatemalan claim to Belize, coupled with the threats by previous Guatemalan Governments to invade Belize, frustrated this country's move to political independence. However, under-pinned by strong support from most United Nations members, including the entire Caribbean Community (Caricom), Belize became independent from Britain in September 1981.

There is still a strong British military presence in the country, composed mostly of ground combat troops, but also including helicopters and Harrier vertical takeoff and landing fighter aircraft. Britain is also playing a key role in training and equipping the Belize defence force which includes ground units, and a modest air wing of mostly non-combat type aircraft.

ESQUIVEL OUTLINES ECONOMIC RECOVERY PROJECTS

FL041628 Bridgetown CANA in English 1538 GMT 4 Nov 86

[Text] Belmopan, Belize, Nov 4, CANA -- Belize Prime Minister Manuel Esquivel has offered an optimistic appraisal of the country's economy in the two years since his administration assumed office, and he has promised an exciting year of progress ahead.

Dr Esquivel, whose United Democratic Party (UDP) swept to power in a landslide election victory in December 1984, complained of political and economic obstacles the Government inherited from the previous administration.

In spite of the difficulties, we have overcome. We have made positive strides and we have opened up the future for our people, he declared in a recent speech in Belize City, reported in the current edition of NEW BELIZE, the official publication of the government information service.

Esquivel said the International Monetary Fund (IMF), which provided Belize with some economic props earlier, had praised the Government's economic programme which it supported, and which it said achieved the objectives of strengthening Belize's foreign reserves, wiping out foreign debt arrears and lowering government reliance on foreign commercial borrowing.

Reciting a list of projects, mostly in agriculture, which are either on the drawing board or about to be implemented, Esquivel said that an acceleration of economic activity would create jobs and exports which Belize needs to achieve financial independence. But he warned that economic recovery was not a painless process, and that there will be no miracles.

There will be greater economic stability, more investment, important construction activity, and more jobs. 1987 promises to be an exciting year of progress, Esquivel added.

Dr Esquivel indicated that the accelerated economic activity will be mostly in agriculture. New investments in banana, winter vegetables, citrus, soya beans, and shrimp farming have been made in the past year.

Hotels and other tourist services, as well as timber, dairy production, and garment and coffee manufacturing also benefitted from new investments. A new facility to produce white sugar is being constructed, and should start production by next spring.

Dr Esquivel announced that, in collaboration with the United States Agency for International Development (USAID), an agricultural diversification project has been launched in the northern districts. The project will cost BEL13 million dollars (1 BEL doll; 49 cents U.S.) in the next five years, and is designed to get farmers into winter vegetables and tropical fruit, specifically for the North American market.

Another major agricultural project is a BEL11-million dollar programme to assist 1,400 small farmers to increase rice production and improve facilities at their rice mill, Dr Esquivel added.

Dr Esquivel also announced that the European Economic Community is financing design of a new general hospital for the coastal city of Belize City, which is the country's commercial centre, and which served as its administrative capital until the construction of Belmopan further inland.

The World Bank will finance expansion and improvement of electricity services, while the country's telecommunications authority will launch a largescale project to improve and expand its telephone services.

Meanwhile, Belize's social security scheme will invest BEL1.3 million dollars for low income house construction. Some 75 houses will be constructed in the first phase of the project.

CDB APPROVES $3 MILLION LOAN, $97,000 GRANT

FL040420 Belize City Domestic Service in English 0100 GMT 4 Nov 86

[Excerpts] The Caribbean Development Bank, the CDB, has approved its first loan [words indistinct] since the new government eliminated arrears and overdue debts owed to the bank.

At a meeting at CDB headquarters in Barbados last Thursday, October 30, the CDB board of directors approved a loan of some U.S. $3 million to Belize. [passage omitted]

The Caribbean Development Bank has also approved a grant of some U.S. $97,000 from the pre-investment program administered jointly by the CDB and the Inter-American Development Bank. [passage omitted]

COSTA RICA

MADRIGAL CHIDES CONTADORA, MARKS BILATERAL TIES

PA300410 Hamburg DPA in Spanish 2158 GMT 29 Oct 86

[Text] Mexico City, 29 Oct (DPA) -- Costa Rican Foreign Minister Rodrigo Madrigal Nieto today described the peace and development document drafted by the Contadora Group as "interventionist."

He added that, although this document has noble and positive aims, it gives the Contadora Group member countries (Colombia, Panama, Mexico, and Venezuela) a "noble trusteeship" which should not exist.

Madrigal Nieto made these statements during a visit to the Aztec capital, where he and his Mexican counterpart, Bernardo Sepulveda Amor, yesterday inaugurated sessions of the bilateral joint commission.

He told the press that Costa Rica maintains a "neutral position" in the Central American conflict and reaffirmed that Costa Rica will not support or lend its territory to attack its neighbors. He also advocated a peaceful and negotiated solution to the conflict and accused the Nicaraguan and U.S. Governments of maintaining "intransigent positions" which are blocking a solution.

In this regard, he reaffirmed his belief that Nicaragua does not have a democratic regime. Madrigal Nieto recalled that several Sandinist government officials support Marxism-Leninism, an ideology that, according to him, goes against democracy.

Madrigal Nieto described Nicaragua's suit at the international court in The Hague against Costa Rica as a "skillful blow." Before resorting to that forum, he said the Sandinist government should have held talks with San Jose to clear up misunderstandings.

At the bilateral level, Madrigal Nieto denied Costa Rica is drifting away from Mexico, but he admitted there is some difference in views. "Now we can refer to a new phase in our contacts after having held talks to clarify positions and clear up doubts," he pointed out.

Finally, he confirmed that Costa Rican President Oscar Arias Sanchez will visit Mexico, but did not give a date. According to unconfirmed reports, the visit will take place in December.

EL SALVADOR

GUERRILLA LEADER REQUESTS DIALOGUE RESUMPTION

PA050225 Panama City ACAN in Spanish 2227 GMT 4 Nov 86

[Excerpts] San Salvador, 4 Nov (ACAN-EFE) -- The political arm of the Salvadoran guerrillas today asked the government to resume the dialogue to end the 6-year war in the country.

Guillermo Manuel Ungo, president of the FDR in exile, said in an interview carried live [en directo] by the local radio station Radio Sonora that "the crisis has increased in the country after the quake, and therefore it is more necessary now to resume the dialogue."

"We are not asking for or advocating extremist positions; what we want and what we are struggling for is to resume the dialogue to lay the groundwork for a negotiation," Ungo said.

"We want all sectors of society to take part in the dialogue to seek rational solutions to the national crisis," the FDR president asserted. [passage omitted]

Ungo stressed that neither the FDR nor the military arm of the guerrillas, the FMLN, "have changed their position on the conflict. [no end quotation mark as received]

"We must work from the simplest issue to the most complex. What is important now is to sit down and incorporate all sectors at the negotiating table," said Ungo. He noted, however, that "the issue is not that we lay down arms, but that we surrender, as Duarte wants."

"The issue is not to discuss the legitimacy or merger of the armies; the issue is to resume the dialogue," Ungo noted.

The FDR leader explained that "despite the constant propaganda that it is winning the war, the Salvadoran Army has increasingly demonstrated its inability to defeat the guerrillas."

"Besides, the Salvadoran Army is increasingly becoming a puppet institution at the service of U.S. interests," he said.

Ungo asserted that both the Duarte administration and the Salvadoran Army have become suppliers of the Nicaraguan "contras" who are trying to overthrow the Sandinist government.

The political leader of the Salvadoran guerrillas described the Christian Democratic government's position of using the territory as a base to train and to provide logistical supplies to the contras as "irresponsible and regrettable."

OQUELI BLAMES GOVERNMENT, U.S. FOR FAILURES

PA041531 San Salvador Radio Cadena YSKL in Spanish 1200 GMT 4 Nov 86

[Text] Madrid -- The Revolutionary National Movement, MNR, of El Salvador has reported the Salvadoran Government is chaotic and this was shown by the recent earthquake, the capture of Hasenfus -- a U.S. citizen -- in Nicaragua, and the foiled dialogue with the guerrillas. Hector Oqueli, international secretary of the MNR, stated during an interview this situation shows that in El Salvador there are forces above the government that make the decisions. He said these forces are the Army and the Reagan administration.

Oqueli, who is on a tour through Europe to inform political forces and governments about the situation in El Salvador, today met here with Presidency and Foreign Ministry officials. In analyzing the situation, the MNR leader referred to the capture in Nicaragua of U.S. citizen Eugene Hasenfus, when the plane that was supplying arms to the contras, which had taken off from El Salvador, was downed.

With this event, the argument that Sandinist government helps the Salvadoran guerrillas has been turned around because it has become obvious that it is the Salvadoran Government who nelps the contras by permitting the U.S. arms supplying operations.

Regarding the October quake, Oqueli said it showed the government it unable to handle this type of situation because it had to turn over the aid received from a broad to the private sector for handling.

Hector Oqueli also blamed the Salvadoran Government's weakness for the failure of the dialogue between the government and the FMLN-FDR. He said the Sesori meeting scheduled for 19 September did not take place because the Army seized the area which had been selected for the meeting precisely because there was no military presence there. He said Sesori was occupied by forces under Mauricio Roberto Estaben and the situation would not have had such repercussions had it not been for the fact that Estaben has been linked to the death squads and to the kidnapping of millionaires for whom he would later demand ransom, activities that have been denounced by the U.S. Government and over which he had been in prison until May, when he was released.

The MNR leader said the occupation of Sesori took place to create a situation that would serve as an excuse for not holding the dialogue. He said: The FMLN-FDR only demanded the demilitarization of the area where we were going to speak about peace. Oqueli said this situation shows there is chaos in the government and there are forces above the government that make the decisions. These forces are the Army and the Reagan administration.

After pointing out that El Salvador receives $1.5 million daily from the United States -- a fact that places El Salvador in 5th place worldwide as a recipient of aid -- the MNR leader said this situation gives the impression that both the Salvadoran Government and the Reagan administration want a military solution.

He said this is the context of his current tour through Europe, which includes visits to the FRG, Italy, Netherlands, Belgium, Great Britian, and Spain in a search for support for a peaceful solution in El Salvador.

In analyzing the possibility of reestablishing a dialogue with the government, Oqueli said mechanisms for continuing the dialogue should be established because the country is tired after 6 years of war. We have to guarantee, he said, that this will not be a make-believe dialogue. We believe, he said, that until now, the government has tried to use the dialogue for propaganda purposes.

PLAN AIMS TO MOVE GUERRILLAS, VIOLENCE CONTINUES

PA041902 San Salvador Radio Cadena YSKL in Spanish 1200 GMT 4 Nov 86

[Text] According to military sources, last month the Salvadoran guerrillas suffered 124 casualties in clashes resulting from a civic-military plan the Army is implementing to clear-up battle areas and promote their reconstruction. The FMLN casualties include: 67 dead, 47 wounded, 8 deserters, and 2 prisoners.

In October, the Army seized from the FMLN: 58 rifles, 7 rocket launchers; 1 light machinegun; 1 submachinegun; 3 pistols; 38 mines; and other war materiel, according to Coprefa.

Both the casualties and the arms seizures resulted from the Armed Forces' continuous operations searching for guerrilla hideouts. Such search operations are being conducted within the framework of the plan called United To Reconstruct. The plan was organized by the Army and went into effect in May. The plan is characterized by continuous operations, political propaganda aimed at townspeople and guerrillas, as well as other civic and military activities.

The objective of the United To Reconstruct plan is to clean out the guerrillas from the combat zones, and repopulate those areas, reactivating the economy and reconstructing the works and services destroyed in the violence. The plan has the support of the government, cooperatives the church, the private enterprise sector, and political parties.

According to Armed Joint Chiefs of Staff Commander General Adolfo Blandon, counterinsurgency operations have continued in various parts of the country despite the fact that Army troops have been busy providing assistance to victims of the 10 October earthquake.

In the past days, the guerrillas have killed 15 peasants, injured 21, and kidnapped another 57 in various parts of the country. The guerrillas have also destroyed 3 telecommunication offices, 1 Credit Bank [Caja de Credito] installation, 6 power poles and 11 power pylons, most of them in the country's northern and eastern regions. The FMLN is maintaining its campaign of attacking Army posts and patrols and sabotaging the electricity service.

At dawn yesterday, there were clashes between rebel columns and government troops on the outskirts of San Jose Las Flores in the northern department of Chalatenango, but the results, according to military sources, are not known yet. Currently, the northeastern area of Chalatenango and the northern region of the eastern department of Morazan are being searched by specialized battalions and other Army units. These two departments have been the main strong holds of the guerrillas since they initiated their activities some 6 years ago.

HONDURAS

CONTRAS AMBUSH EPS IN EL PARAISO DEPARTMENT

PA041434 Tegucigalpa LA TRIBUNA in Spanish 3 Nov 86 p 9

[Text] There were over 60 Sandinist casualties when the Nicaraguan contras ambushed approximately 1,000 EPS [Sandinist People's Army] members who entered Honduran territory in the area of Capire, El Paraiso, 12 km from the border.

Radio station HRN [Voz de Honduras] reported that "heavy combat with artillery fire" broke out between the two groups as of 1000 on Friday and continued until Saturday at noon. The station added the Honduran Army did not participate.

According to the report the station said was based on completely reliable sources, "several contra companies were pursued into Honduran territory by the EPS in the southern part of Yamales, Las Trojes, and Capire," in El Paraiso Department.

The ambush took place 2 km inside Honduran territory and, as a result, the contras inflicted over 60 casualties on the EPS, it was reported.

The number of contra casualties was not given, but the sources said the contras suffered fewer casualties than the EPS.

As of noon on Saturday, "the Sandinists had fled in disarray and were still being attacked 2 km inside Honduran territory," the radio station added.

As opposed to the strong Sandinist incursion of last March when Honduran troops were transferred to the Capire area in U.S. helcopters, this time only the contras and the Sandinists participated in the clashes.

The area of Capire and Yamales is occupied by some 12,000 contras, according to the residents who have been displaced as a result of the clashes.

Several displaced people said last week in Danli the "war between the contras and the Sandinists" began 2 weeks ago last Friday, and the situation was provoking a new exodus of Hondurans to the interior of the country.

NICARAGUA

GARCIA PRESENTS CHINESE, FRG WEAPONS TO JUDGE

PA040309 Panama City ACAN in Spanish 0107 GMT 4 Nov 86

[Excerpts] Managua, 3 Nov (ACAN-EFE) -- The plane in which U.S. citizen Eugene Hasenfus was traveling was carrying weapons of Chinese and West German manufacture, it was reported here today.

Sandinist Lieutenant Esteban Garcia, summoned by the judge who is building up the case against Hasenfus in the Anti-Somozist Peoples Tribunals, presented a report on the weapons and supplies which the C-123K plane was carrying when it was shot down by a ground-to-air missile on 5 October. The items found included: 70 to 100 AKMS rifles; 1,000 to 1,500 rounds for those weapons; 70 RPG-7 grenades; 1 M-60 machine gun; 250 pairs of jungle boots; 40 razors; and various documents.

In the presence of Hasenfus, Garcia showed and described the weapons as well as the technical and tactical use of the armament, which was intended for the anti-Sandinist rebels who are active in southeastern Nicaragua.

The Attorney General's Office reported that Hasenfus was carrying out one of the "most important and vital tasks in the aggression against Nicaragua, namely, that of supplying materiel indispensable to continue the war against this country. [passage omitted]

The expert showed and identified the handgun that Hasenfus was carrying at the time of his capture. He said it was a Chinese-made Bonnett TT 7.62-caliber pistol. [passage omitted]

According to the expert's testimony, the only U.S.-made materiel found were some clips for AKM rifles, magazines, gun slings, pistol belts, and jungle boots. [passage omitted]

ORTEGA CONGRATULATES MOZAMBIQUE'S CHISSANO

PA040344 Managua Domestic Service in Spanish 2233 GMT 3 Nov 86

[Message sent by Nicaraguan President Daniel Ortega to Joaquim Chissano, new president of Mozambique, read by (Marlik Rojas) at the Directorate of Information and Press of the Presidency of the Republic, in Managua]

[Text] Managua, 3 November 1986

25 years later, all weapons against aggression

Companero Joaquim Alberto Chissano, president of Mozambique and of the Mozambique Liberation Front, Frelimo

Dear Companero Chissano:

In the name of the FSLN and the Nicaraguan Government and people, I am pleased to congratulate you on the occasion of your appointment as president of the People's Republic of Mozambique and of the Mozambique Liberation Front, Frelimo.

With the example and guidance of companeros Eduardo Mondlane and Samora Moises Machel, I am sure your administration will continue to lead the Mozambican people down a path along which they will bolster their achievements and consolidate and defend the new, prosperous, and just society for which they fought and gave their lives.

In the same manner, I reiterate to you the similarity of our purposes and common goals in the struggle against imperialist domination, neocolonialism, and racism; and the firm decision to support you, Frelimo, and the Mozambican Government and people at this moment of great historic importance.

Free fatherland or death, the struggle continues

[Signed] Daniel Ortega Saavedra

FSLN'S TIRADO CELEBRATES ANNIVERSARY IN HAVANA

PA040415 Managua BARRICADA in Spanish 1 Nov 86 p 1

[Communique issued by the FSLN National Directorate in Managua on 1 Nov]

[Text] The FSLN National Directorate announces the following: Commander of the Revolution Victor Manuel Tirado Lopez, member of the FSLN National Directorate, will head the FSLN delegation that will attend the main ceremony sponsored by the Communist Party of Cuba (PCC) in Havana, Cuba on 3 November to celebrate the 25th anniversary of the FSLN and the anniversary of the fall of Commander Carlos Fonseca, the leader of the Sandinist people's revolution.

The delegation is also made up of members of the Sandinist assembly: Flor de Maria Monterrey, Edgardo Garcia, Lucio Jimenez, and Daniel Nunez.

National Directorate of the FSLN, Managua 1 Nov 1986.

"1986: 25 years later, all weapons against aggression"

Speaks at Honorary Ceremony

PA041402 Managua Domestic Service in Spanish 1200 GMT 4 Nov 86

[Text] Commander of the Revolution Victor Tirado Lopez yesterday said in Havana that the Nicaraguan people are ready to repel foreign troops if, despite the worldwide rejection of its aggression, the United States decides to invade Nicaragua.

The revolutionary leader attended the event held by the Communist Party of Cuba to pay tribute to the 25th anniversary of the founding of the FSLN and the 10th anniversary of the death of Commander Carlos Fonseca Amador, leader of the revolution.

Commander of the Revolution Tirado Lopez asked the Central American presidents, especially those of Honduras, Costa Rica, and El Salvador, not to join Reagan's interventionist policy.

U.S. PREPARES NICARAGUAN 'MILITARY AGGRESSION'

PA041214 Havana International Service in Spanish 0000 GMT 4 Nov 86

["Our America" commentary]

[Text] Quite a few analysts feel that the next few days will be decisive, insofar as a U.S. military aggression against Nicaragua is concerned. According to the Costa Rican independent weekly UNIVERSIDAD, the invasion would take the form of air and naval cover in order to facilitate the actions of the counterrevolutionary groups based in Honduras. It does not rule out, however, the involvement in the conflict of the so-called U.S. rapid deployment contingents and forces like the 82d Airborne Division, which will be stationed on Honduran soil in the next few days for the alleged purpose of carrying out military maneuvers.

Other factors that are turning the situation red hot are the increasingly barefaced statements by senior officials of the Reagan administration to the effect that there is no other option but war with Nicaragua. Elliot Abrams, U.S. assistant secretary of state for Inter-American affairs, is one of those spokesmen who does not hesitate to speak his mind. During a recent visit to Costa Rica, he did not hide his mission of pressuring Oscar Arias' government into joining the military actions against the Sandinist revolution. The demands were such that Costa Rican Security Minister Hernan Garron could do nothing but admit that large-scale U.S. actions against Nicaragua are expected.

The statements coincided with maneuvers by the yankee forces in the Panama Canal for the mass evacuation of dead and wounded from somewhere in Central America. However, Abrams went even further and said on 1 November in Montevideo that the Nicaraguan Government can only be subdued through war. As usual, he lunged against the Sandinists with vulgar epithets, ending his diatribe with the assertion that the United States rules out any negotiation in the case of Nicaragua, including that of the Contadora Group.

Meanwhile, on the war front things are not going well for the Reagan-sponsored freedom fighters. The counterrevolutionary spokesmen bombastically announced large-scale operations along the southern Honduran border and on 24 October launched their vaunted offensive, encouraged by the $100 million granted by Washington and another fabulous amount arranged for by the CIA.

The enemy was repelled in heavy fighting and left approximately 80 dead and 120 wounded in the field. The Sandinist forces lost 21 men and 16 were wounded. Bewildered, the counterrevolutionary spokesmen have talked of a precise use made by the Sandinists of their artillery fire and are looking everywhere for direct support from the United States, through which they intend to at least consolidate a permanent base on Nicaraguan soil.

These factors make the picture even more dangerous, if one bears in mind that Nicaragua is an obsession for Reagan and that in his futile desire to dominate it he may go so for as to take irrational steps. Latin American public opinion, and especially that of the United States, must be on the alert during these hours when the White House's demented violence is apparently leading the Central American situation up a blind alley.

RISQUET MEETS URUGUAYAN SOCIALIST DELEGATION

FL041419 Havana Tele-Rebelde Network in Spanish 1200 GMT 4 Nov 86

[Text] Jorge Risquet Valdes, Party Politburo and Central Committee Secretariat member, has received in Havana a delegation from Uruguay's Socialist Party. Senator Reinaldo Garcano, secretary general of the Uruguayan Socialist Party, discussed with Risquet matters of mutual interest regarding relations between the two countries and aspects of the Latin American situation. Hugo Rodriguez, founder of the Socialist Party of Uruguay, also participated in the meeting.

RISQUET MEETS KOREAN WORKERS PARTY DELEGATION

FL050215 Havana Television Service in Spanish 0100 GMT 5 Nov 86

[Text] A fraternal meeting was held today by Jorge Risquet, member of the Communist Party of Cuba Politburo, and Yi Chong-ok, member of the Korean Workers Party Politburo and DPRK vice chairman. The Korean Workers Party delegation is in our country en route to Nicaragua to participate in the activities commemorating the 25th FSLN anniversary and the 10th anniversary of the death in combat of Carlos Fonseca Amador.

During the meeting, Yi Chong-ok gave Risquet his impression of the tours through Cienfuegos and Havana City Provinces. He also referred to DPRK achievements in the construction of Socialism and the existing attention given to the Korean penninsula as a result of the manuevers carried out by the United States, which occupies the southern part of the country, and the puppet-regime's repression against the students and people of South Korea.

CUBAN EDUCATION MINISTER ARRIVES IN MEXICO

FL032106 Havana Radio Reloj Network in Spanish 1907 GMT 3 Nov 86

[Text] [Education Minister] Jose Ramon Fernandez, vice president of the Cuban Council of Ministers, has arrived in Mexico City where he will inaugurate education centers constructed with Cuban assistance for the victims of last year's earthquakes. The first of those schools, constructed with $2 million in Cuban aid to the Mexican Education Secretariat, will be inaugurated today.

Upon his arrival in Mexico City, Fernandez told the press that up to this time the Contadora Group has prevented a U.S. invasion against Nicaragua, and he said Washington continues its dirty war against Managua. The Cuban minister warned that it would be very difficult for the United States to intervene directly in Nicaragua and he recalled that the Nicaraguans previously repelled the Marines during the era of Augusto Cesar Sandino.

Education Ministers Open School

FL040344 Havana Television Service in Spanish 0100 GMT 4 Nov 86

[Text] Cuban and Mexican Education Ministers Jose Ramon Fernandez and Miguel Gonzalez Avelar, respectively, today inaugurated the first of 22 schools, constructed in the Aztec nation with Cuban assistance, for victims of the 1984 [as heard] earthquake. Fernandez, also vice president of the Cuban Council of State, said the donation is a demonstration of brotherhood and friendship between the two peoples and assured that the difficult moments experienced by Mexico are also difficult for our country.

FRG PARLIAMENTARIAN CALLS FOR COOPERATION

FL042155 Havana Radio Reloj Network in Spanish 1925 GMt 4 Nov 86

[Text] Today in Bonn, Heinz Westphal, vice president of the FRG Bundestag, called for cooperation with Cuba in aiding the Third World. Upon returning from a trip that included visiting our country and Costa Rica, Westphal, who headed a parliamentary delegation, said that cooperation could be in the form of medicine or instruments needed by Cuban internationalist doctors who work in the Third World. The Bundestag vice president said the aid could be carried out by FRG foundations to benefit a Third World country and explained that Cuba presently has cooperation programs with the Netherlands, Sweden, and Canada. Westphal, a Social Democrat, said he was in favor of actions to increase trade between our country and the FRG.

BULGARIAN, CSSR, SLOVAK LEADERS ARRIVE

FL040330 Havana Radio Rebelde Network in Spanish 0015 GMT 4 Nov 86

[Text] Dimitur Stoyanov and Vratislav Vajnar, interior ministers from Bulgaria and the CSSR, respectively, arrived today in Havana for an official visit. The two leaders were met at the airport by Division General Jose Abrahantes, member of the Central Committee and Cuban interior minister. Viliam Salgovic, member of the Communist Party of Slovakia Central Committee and chairman of the National Slovak Council, also has arrived in Havana. Flavio Bravo, member of the Central Committee and president of the National Assembly of the People's Government, welcomed the Slovak delegation.

USSR BUILDS VAPOR GENERATOR FOR NUCLEAR CENTER

FL050238 Havana Television Service in Spanish 0100 GMT 5 Nov 86

[Text] The first vapor generator for our country's electronuclear center was constructed at the (Orzonikatz) Machinery Factory located in the Podolsk area of Moscow. The designers had to resolve complicated technical problems related, above all, to the operational conditions of the center in a tropical climate, new [problems] for the Soviet enterprises.

VIETNAM SIGNS RADIO, TELEVISION AGREEMENT

FL031719 Havana Radio Reloj Network in Spanish 1504 GMT 3 Nov 86

[Text] A cooperation agreement between Cuba and Vietnam radio and television was signed today in Hanoi by the top leaders of the two countries in that sphere of work. The document provides for an exchange of experiences, training of technicians in producing documentary films, as well as cooperation in international broadcasts.

SUGAR CENTERS CRITICIZED FOR RESERVING RESOURCES

FL050219 Havana Television Service in Spanish 0100 GMT 5 Nov 86

[Text] The 1987 sugar harvest has just begun. Secretariat member Julian Rizo, alternate Politburo member, has pointed out directives and orientations that are necessary to apply in agriculture and industry. One of these indicates that, when speaking of effectiveness and efficiency, it is important to mention, first of all, maximum use of the installation's capabilities.

Unfortunately, in the sugar industry there still exists, with a negative force, the vicious practice of reserving capabilities, declaring less than what is on hand, and this necessarily raises a question. How many centers in the country escape that vicious practice of working the harvest by covering [capacities] (trabajar la zafra con cobertura)? Not using the available productive potential to the maximum is not just technologicallly unsound, but also morally censurable. There are many problems and difficulties that this critically bad practice brings to the harvest. Losses in the process increase as a result of the elevated retentions of juices and the unstable energy balance.

BAHAMAS

ENGLAND GIVES 3 SHIPS TO FIGHT DRUG TRAFFICKING

FL042243 Nassau Domestic Service in English 1300 GMT 4 Nov 86

[Excerpt] There is help in another area in the fight against illegal drugs: The Royal Bahamas Defense Force getting three new craft to help in that fight and those crafts arrived yesterday. The Yellow Alder, Port Nelson, and The Manner were built by Ferry Marine Limited of England and are each 108 feet long. The vessels are equipped with the latest in fire fighting, damage control, and life-saving and emergency features. Captain of the Yellow Alder, Lieutenant Commander (Bachlet le Fleur), says one of the most outstanding features of the vessels is their speed. [passage omitted]

BRIEFS

BRITISH HIGH COMMISSIONER -- The new British High Commissioner to the Bahamas Mr Colin Mays presented his letter of introduction to Prime Minister Pindling. Mr Mays is taking over from former Commissioner Mr Peter Heap who has since returned to England. [Excerpt] [Nassau City Domestic Service in English 1200 GMT 21 Oct 26 FL]

AMBASSADOR TO EEC -- The Bahamas is now officially accredited to the European Economic Community. The high commissioner to the United Kingdom, his Excellency Mr Richard (Demarit), presented his letterrs of credence to President Mrs Linda (Chopin), at the office of the Council of Ministers of the EEC organization in Brussels last month. Mr (Demarit) is the first Bahamaian ambassador to the European Economic Community. [Excerpts] [Nassau Domestic Service in English 1200 GMT 22 Oct 86 FL]

ST VINCENT

MITCHELL MARKS INDEPENDENCE ANNIVERSARY

FL282329 Bridgetown CANA in English 2315 GMT 28 Oct 86

[Text] Kingstown, St Vincent, Oct 28, CANA -- Prime Minister James Mitchell has urged Vincentians to consolidate the gains they have made since independence in 1979 and announced plans for an EC20 million dollar (one EC dollar equals 37 cents U.S.) bond issue.

In his message yesterday to mark the 7th anniversary of independence of St Vincent and the Grenadines, Mitchell said his NDP government which took power in 1984 following a sweeping victory at the polls, had restructured the country's economy and had put our house in order.

He said the nation had reason to be proud of its average projected growth rate of 6 per cent and its capacity to honour its commitment.

Mitchell said before yearend his government would be issuing EC20 million dollars in development bonds. He said government planned to expand its land reform programme and so help more people to strengthen their roots in the society.

Mitchell said his administration's policies sought to ensure that the burden of taxation was equitably borne, while relief to the needy was extended.

This year's independence celebrations were not as elaborate as last year's which coincided with the visit of Britain's Queen Elizabeth II. There was the traditional military parade at Victoria Park in the capital, Kingstown, and the Department of Culture used the occasion to focus on the culture and cuisine of the nation.

TRINIDAD AND TOBAGO

AGREEMENT REACHED ON NUCLEAR WEAPONS TREATY

FL042013 Bridgetown CANA in English 1609 GMT 4 Nov 86

[Text] Port of Spain, Trinidad, Nov 4, CANA -- Trinidad and Tobago has agreed to an international treaty designed to check the spread of nuclear weapons. The Foreign Ministry said here last night appropriate instruments for the ratification of the treaty on the non-proliferation of nuclear weapons were deposited at the United States State Department, and with the British Government on October 31. Trinidad and Tobago signed the treaty on August 20. The measures taken amount to formal accession to the treaty.